



CURRENCY

Committee on Financial Services

Michael G. Oxley, Chairman

For Immediate Release:

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Financial Institutions Subcommittee Approves Rent-to-Own Legislation

The House Financial Services Subcommittee on Financial Institutions, chaired by U.S. Rep. Spencer Bachus (AL), approved legislation today designed to provide greater cost information to consumers considering rental purchase transactions.

H.R. 1701, the Consumer Rental Purchase Agreement Act, would require total price and fee disclosures at the point of sale for all products sold via rent-to-own agreements. The legislation also would create uniform federal regulations while leaving intact the right of states to more strictly regulate the industry.

"A bipartisan effort has produced legislation which provides important consumer protection to rent-to-own customers," Chairman Bachus said.

The subcommittee accepted three amendments to the legislation: a substitute amendment offered by U.S. Reps. Jones (NC) and Maloney (CT); an amendment offered by U.S. Rep. Sue Kelly (NY) to ensure proper disclosures and increase the statute of limitations on rental purchase agreements to one year following the date of contract termination; and an amendment offered by U.S. Rep. Watt (NC) to clarify the disclosure provisions of the bill.

"This legislation provides a uniform federal regulatory floor for an industry that provides a useful service to those who may be unable to otherwise obtain necessary household items," Financial Services Committee Chairman

Michael G. Oxley (OH) said. “I look forward to working with my colleagues on the Committee to craft an effective, bipartisan bill.”

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